Polen U.S. Small Company Growth

Portfolio Manager Commentary – June 2020

Summary

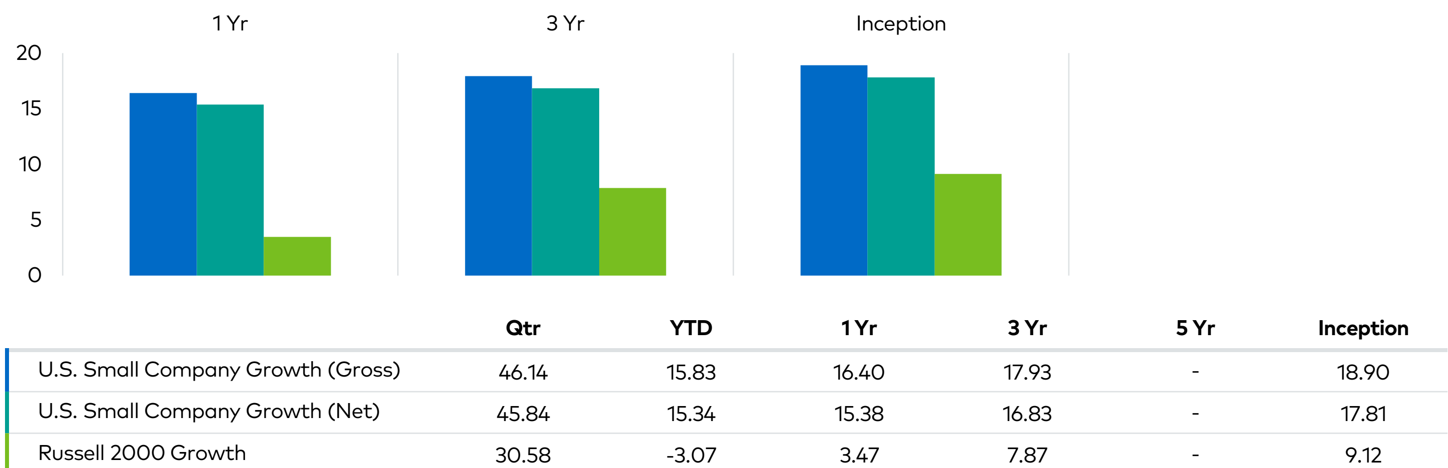
- During the second quarter of 2020, the Polen U.S. Small Company Growth Composite Portfolio (the "Portfolio") returned 46.14% gross of fees versus 30.58% for the Russell 2000 Growth Index (the "Index"). Year to date, the Portfolio has returned 15.83% versus -3.07% for the Russell 2000 Growth Index.

- The second quarter of 2020 showed a striking reversal in the market from the rapid sell-off in the first quarter. The strategy's quarter and year-to-date relative results are consistent with what we would expect to see in volatile markets based on our investment philosophy and objective.

- By owning approximately 30 of what we believe are the best companies in our category, we feel our strategy is well positioned to protect capital and to participate when the market rebounds.

- The outlook is uncertain and likely to remain that way for some time given the ongoing risk from COVID-19. Regardless, we think companies that can navigate this period and maneuver into a position of strength will exhibit positive results and will likely continue to separate themselves from competitors as we go through 2020 and beyond. We believe we own these types of businesses.

Seeks Growth & Capital Preservation (Performance (%) as of 6-30-2020)



	Qtr	YTD	1 Yr	3 Yr	5 Yr	Inception
U.S. Small Company Growth (Gross)	46.14	15.83	16.40	17.93	-	18.90
U.S. Small Company Growth (Net)	45.84	15.34	15.38	16.83	-	17.81
Russell 2000 Growth	30.58	-3.07	3.47	7.87	-	9.12

The performance data quoted represents past performance and does not guarantee future results. Current performance may be lower or higher. Periods over one-year are annualized.

The commentary is not intended as a guarantee of profitable outcomes. Any forward-looking statements are based on certain expectations and assumptions that are susceptible to changes in circumstances.

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Commentary

The second quarter of 2020 showed a sharp reversal from the sell-off last quarter, when the severity of the COVID-19 pandemic likely took investors by surprise. After initial shelter-in-place orders and the subsequent easing of restrictions worldwide, investors appeared to be hopeful that the effect of the pandemic was not as bad as originally thought and global markets responded. The actions by Central Banks likely had a large impact on risk tolerance in the period as well, accelerating the pace of the bounce back.

We believe our results thus far in 2020 are consistent with how we expect the portfolio to behave in tough and volatile markets for several reasons. First, we focus on owning what we believe to be the 30 best companies in our universe, therefore our research typically leads us to businesses with durable business models, superior balance sheets, and skilled management. In our experience, companies with sound fundamentals tend to hold up better in crisis.

Second, the Portfolio seeks balance between slower growth "safety" companies and faster growth companies. We believe this allows us to protect capital in difficult market conditions while also participating when markets rebound.

Third, an early sorting out of winners and losers usually occurs after most sharp sell-offs. Because the Portfolio is concentrated, this sorting of winners and losers often means each company we own can have a meaningful impact. During periods like the first quarter, when nearly every company's stock was under extreme pressure, we think owning outstanding businesses and focusing on the long-term can result in outsized gains as investors differentiate between winners and losers. This is especially true today when uncertainty is high and companies have pulled guidance.

Times like these can often reward skilled active managers who are disciplined, patient, and perform deep research.

Portfolio Performance

During the second quarter of 2020, the Polen U.S. Small Company Growth Composite Portfolio (the "Portfolio") returned 46.14% gross of fees versus 30.58% for the Russell 2000 Growth Index. Year to date, the Portfolio has returned 15.83% versus -3.07% for the Russell 2000 Growth Index.

In the second quarter, the market rewarded certain companies disproportionately. These beneficiaries tended to be companies investors viewed as well positioned for: 1) the pandemic's "new normal" or 2) for newly formed customer behaviors that may propel their businesses forward, even in the face of uneven near-term results. These sentiment-driven results helped some of our Portfolio companies, but we own these businesses because they are benefitting from long-term trends that were in place before the crisis. In addition, we were more active in the Portfolio during last quarter's dramatic sell-off, and some of those opportunistic purchases paid off in the second quarter. A key component of our flywheel is effective management, a factor that we view as an important differentiator for businesses we own or are researching.

We saw a significant, positive divergence from the market in companies that we view as having skilled management teams, which also contributed to relative and absolute returns.

In terms of attribution, both sector allocation and stock selection contributed to our absolute and relative performance during the quarter. The consumer discretionary and information technology sectors most notably contributed to both absolute and relative returns. Specifically, the consumer discretionary sector delivered the strongest return for the overall small cap market. Our large position in the sector significantly contributed to the Portfolio during the quarter, a reversal from the substantial drag on performance last quarter. At the onset of the pandemic, we conducted additional stress tests on our consumer discretionary holdings, which gave us confidence to stay the course in almost all cases. This patience was rewarded in the second quarter.

In both the consumer discretionary and information technology sectors, the Portfolio benefitted from an overweight position and effective stock selection, especially in the internet & direct marketing retail and software industries. On a sector basis, healthcare was the only notable detractor, with our lack of biotechnology exposure driving considerable underperformance in healthcare. We are structurally underweight biotechnology due to the lack of profitability we typically see among most small cap companies in the sector.

Sector-based results appeared to have direct ties to the pandemic's impact. The companies we own in the internet & direct marketing retail and software industries are benefitting from an accelerating shift to digital. For example, **Etsy** has benefitted from consumers doing more of their shopping online and **Globant** benefitted from enterprises accelerating their digital transformation.

In terms of biotechnology, we believe the industry's attractive relative stock performance can be explained by two drivers. First, companies working on a treatment or vaccine for COVID-19 have attracted a lot of attention from investors. Second, most biotechnology companies are unprofitable today and are owned for their long-range earnings power, which is generally many years in the future. Therefore, they are viewed as being less vulnerable to the pandemic's impact based on their intrinsic value. For comparison, the companies that we own in healthcare were dislocated—most non-COVID related healthcare services came to an abrupt halt due to the pandemic, with companies like **AMN Healthcare Services** and **U.S. Physical Therapy** being two of the largest relative detractors during the quarter.

From a style perspective, our active exposure to both growth and profitability helped drive positive returns during the second quarter. Our lower exposure to leverage and earnings variability also helped, although the active exposure to growth had the largest impact. During the quarter, we saw a large disparity in performance between our slower growth "safety" businesses and our faster growth businesses, a reflection of the growth factor's outperformance.

We intentionally maintain a balance between slower and faster growth.

The slower growth "safety" businesses are intended to be an important driver of the downside protection we aim to deliver in difficult market conditions.

During the first quarter and initial onset of the crisis, these slower growth companies were some of our strongest outperformers while our faster growth companies performed better this quarter. The resilience of our portfolio in both this quarter and the previous quarter, two contrasting market environments, is a testament to our goal of maintaining a growth spectrum in the Portfolio.

From a company-specific perspective, **Etsy**, **Fox Factory Holdings**, and **Ollie's Bargain Outlet** were the top contributors during the quarter based on Bloomberg's total attribution. **AMN Healthcare Services**, **Blackbaud** and **Exponent** were the top detractors based on Bloomberg's total attribution.

Etsy was the top contributor. Etsy is a marketplace business and the leader in the $100B+ global market for unique and creative goods. It operates a scaled two-sided marketplace and fits all our flywheel investment criteria. We also believe the company has a particularly effective management team and culture. Solid fundamentals drove the outperformance during the quarter. Etsy had an effective response to the pandemic and was able to help customers and sellers by supporting a ramp up in mask production. This certainly led to some short-term benefits. However, Etsy showed strength across much of its marketplace during the pandemic and continued to adopt new customers, which we think bodes well for the both the long term and short term.

Fox Factory Holdings was a top contributor in the second quarter. The company designs, manufactures, and sells high-performance products for bicycles and on-road and off-road vehicles. The positive performance this quarter follows the first quarter's stock price decline due to concerns about the coronavirus's effect on short-term demand. This appeared to be somewhat overblown due to the uniqueness of Fox Factory products—the company continues to see solid demand and announced sales had increased 14% year over year in the first quarter 2020. Management also took several actions that we believe are consistent with sound, long-term decision making, including seeking to maintain the company's solid balance sheet while continuing to invest for the future. With our long-term view, we continue to believe that Fox Factory's prospects remain favorable given the strength of its brand, quality of its products, and skill of its management team.

Ollie's Bargain Outlet was also a top contributor in the quarter. As a discount retailer that was deemed essential, Ollie's was able to stay open while many other retailers were forced to shut down as a result of the pandemic. The company was in an opportunistic position to take more of the wallet share of consumers —many of the places consumers would normally shop were closed, and they were going out less frequently and visiting fewer stores to mitigate their COVID risk. This has led to positive performance from Ollie's during this tough time, but has also left us with concerns. We believe that the company has been overearning during this period and that its strength during the pandemic is masking other issues we have been continuously monitoring. We decided to sell Ollie's Bargain Outlet during the quarter, which we detail later in the letter.

AMN Healthcare Services, a diversified nursing and healthcare services business, was a top detractor in the quarter. AMN has been negatively impacted by the coronavirus, which has strained hospitals. The business has begun to see some normalization, albeit from much lower levels than normal. Despite this, it continues to invest for the long-term, including telehealth services. AMN, based on our research, is a well-run business with an attractive runway of growth and high returns on capital. We believe that when the healthcare system eventually recovers, the value proposition that AMN provides its customers will be beneficial for years to come.

Blackbaud was also a top detractor. The company is a provider of enterprise software solutions to non-profit organizations (NPOs). Their software helps NPOs with basic enterprise functions such as constituent relationship management (CRM), fundraising, payment processing, accounting, and a variety of other back office applications. We believe the market may be concerned about COVID-19 having a prolonged impact on the company's customers, many of whom have had to close their doors and may remain closed for quite some time. We are carefully monitoring the situation and management's behaviors during this difficult time.

We have been impressed with management's ability to navigate the pandemic so far, which included giving themselves financial flexibility without hampering their ability to continue to invest in their future. These actions included continued R&D investment, avoidance of actions that could harm employee morale, and opportunistic stock buybacks. We view these behaviors as good long-term decisions that should position them well for the future.

Exponent was also a top detractor ranked by total attribution. Exponent is a consulting firm with a uniquely consistent business model. The company performs high-profile, scientifically technical investigations. These investigations usually involve litigation and include plane crashes, car recalls, terrorist attacks, and natural disasters. We believe the company has a repeatable business model that will hold up well no matter the macroeconomic backdrop. We would characterize the company's underperformance in the quarter as being related to its role as a slow and steady "safety" business for us. Slower growth businesses tended to be laggards relative to higher growth businesses during the quarter. This is a function of style, not a fundamental issue in our view. We remain very excited about Exponent and added to our position during the quarter.

Portfolio Activity

During the quarter, we initiated new positions in **Houlihan Lokey**, **Medpace Holdings**, **WD-40 Company**, **Blackline** and **Qualys** and added to some of our existing holdings.

We started a new position in a leading global investment banking company **Houlihan Lokey** during the quarter. The company is a leader in corporate finance services for the middle market and is a leader in providing financial restructuring services. Its diverse mix of revenues has driven strong financial performance across market cycles.

While we do not typically invest in traditional financial services companies, Houlihan Lokey is unique. It has been able to grow revenues in both favorable and challenging economic environments.

Historically, the firm's M&A-related work has driven significant growth in revenue during strong economic periods while its financial restructuring business has driven growth in tougher times, when M&A activity is typically lower. In corporate finance, Houlihan Lokey is also more focused on the middle market where the transactions are smaller, there is less competition from big banks, and there is less cyclicality. In the restructuring market, the company often works on the largest and most high-profile restructurings in the world.

In the near to medium term, we believe that the company is well positioned to benefit from the meaningful ramp in pandemic-driven restructuring activity and low oil prices, which is negatively impacting energy clients. Over the long term, we think the company should continue to benefit from tailwinds including: a shift to independent investment banks, an increase in middle market M&A activity as baby boomers aging out of their businesses attract private equity investors, and attracting top talent who prefer to join boutique firms that often have better cultures and offer more job stability with better economics.
We also initiated a new position in **Medpace Holdings** during the quarter. Medpace is a contract research organization (CRO) with a unique business model that is particularly well suited for emerging biopharma customers. Medpace follows a consistent formula to drive growth and benefits from long-term secular trends including R&D spending growth and the continued shift in innovation towards emerging or small biopharma. We like Medpace for its exposure to these long-term drivers without having to own biotech companies or pick winners and losers. Medpace also fits our flywheel criteria and generates significant cash at attractive returns on capital. In terms of our growth spectrum, Medpace fits in the middle and is in line with our overall objective for mid-teens FCF/Share growth.

Another new addition to the portfolio this quarter was **WD-40 Company**. Americans will likely be familiar with their primary product—the blue and yellow can with a red top found in most homes that might be used to fix a squeaky door. However, WD-40 has a growing portfolio of branded, high-quality products and a 20-year history of innovation. In our view, the company's competitive advantage is derived from its brand value, which the current management team has carefully cultivated over the last 68 years. The product category itself has unique attributes that has enabled the brand to endure while facing minimal competition. It is interesting to note that many retailers, such as Home Depot and Walmart, have tried to compete with WD-40 via private label products with little success. We would consider this to be a slow growth "safety" business.

We started a new position in fast growing **Blackline**. Blackline operates a software-as-a-service (SaaS) business model that helps companies more accurately meet financial deadlines by automating accounting and reporting processes. It is in the early stages of penetrating a very large and relatively untapped market which they are credited with pioneering. Despite being a new industry, management has already seen the company's moat tested by several capable competitors. It has successfully maintained its leadership position due to what we believe is an exceptional management team and extensive customer R&D. The company also has a successful and well-tested customer acquisition strategy. We see potential for an acceleration as customers realize they need to adapt to a remote work capable environment, which plays to Blackline's strengths.

We also started a new position in **Qualys** during the quarter. Qualys is a SaaS cybersecurity provider best known for providing vulnerability management solutions to large enterprises. Qualys follows a unique strategy relative to peers with a bundled offering that creates more comprehensive threat protection.

Qualys leverages a highly cost-efficient R&D center in India to develop its full suite of cybersecurity products in-house. This allows data to be shared more efficiently between solutions and customers while eliminating outside vendors. This strategy has enabled the company to grow while generating cash, whereas direct competitors are unprofitable. Qualys also benefits from the long-term secular trend toward cloud-based solutions and increasing cybersecurity needs. Management is impressive, in our opinion. They identified the current trends very early and have remained focused on delivering on the company's platform value proposition.

We added to **Paylocity** and **Helen of Troy**, two positions we began building last quarter. We also opportunistically added to **Exponent**, **Euronet Worldwide**, **Alarm.com** and **AMN Healthcare Services**, resizing the positions in light of our analysis of risk/reward and range of outcomes as we gleaned more information and updated our views.

We liquidated our positions in **Littelfuse**, **Ollie's Bargain Outlet**, and **U.S. Physical Therapy** during the quarter and trimmed some existing holdings due to market cap and general risk management.

Littelfuse is a leader in circuit protection, power control, and sensing technologies. The company's products are an input to other products that require power surge and electrostatic discharge protection. Most of their customers are in the electronics, automotive, and industrial sectors. We had been owners since inception and have known the company for many years. We were attracted to the company's market leading position, broad product diversification, solid margin structure, cash generation, and value-creating M&A strategy. However, we have been monitoring its slowdown in organic growth and lower margins—we are concerned that the company is more cyclical than before and more vulnerable to the pandemic.

With its riskier growth strategy and the potential negative impact from COVID-19, we decided to sell Littelfuse and used the proceeds to effectuate what we felt was an upgrade to the Portfolio. For us, this means buying a higher-quality business with less cyclicality. In short, we identified what we believed were superior alternatives.

We also sold our investment in **Ollie's Bargain Outlet**. Ollie's provides a differentiated customer experience and unique value proposition by selling a wide assortment of brand name products at drastically reduced prices. Ollie's low-priced model is built off an opportunistic buying strategy whereby the company purchases excess inventory from manufacturers and then shares the cost savings with its customers. More recently, the company has shown signs of challenges in scaling this unique strategy even after years of success. Ollie's has also experienced greater-than-expected store cannibalization. While Ollie's has had tremendous success, this leaves future growth in doubt in our view. Ollie's has been a holding in the Portfolio since inception and has been a solid investment, but we simply believe its path forward will be difficult. We question the ongoing repeatability of its sales process, a violation of a key component of our flywheel, and we felt it was prudent to sell.

U.S. Physical Therapy is a leading operator of outpatient physical therapy clinics and injury prevention services throughout the U.S. We believe U.S. Physical Therapy is a well-run company with a disciplined and repeatable formula for long-term value creation. The company is particularly good at generating higher returns at the practice level, mostly by improving both utilization metrics and billing, an advantage versus smaller operators. This formula has led to a long history of slow but repeatable growth and high returns on capital.

However, this formula, that we view as fundamental to the company's potential to compound value, has been interrupted with some practices temporarily closed and others operating well below capacity. In addition, the company's decision to permanently close some practices will likely mean that a return to prior results will take much longer. The challenges related to the coronavirus pandemic widen the range of outcomes considerably and opens barriers to entry through other forms of delivery for physical therapy in the future, such as video or telemedicine. We chose to sell our position as a result.

In addition to new positions, additions, and exits, we reduced our position in four holdings due to market cap management. These positions were **Trex**, **Masimo**, **EPAM Systems**, and **Pool Corp**, which we have owned in the Portfolio since inception. We are committed to staying in the small cap category. We therefore strategically trim and eventually sell companies that have been successful investments, graduating outside our normal market cap range. We also trimmed our position sizes in three holdings in where we felt the weightings in the Portfolio were particularly high due to recent performance. These included **Revolve Group**, **Globant**, and **Fox Factory Holding**. As the pandemic unfolds and volatility can be extreme, we may selectively adjust position sizing as a risk management tool.

Outlook

The outlook is uncertain and likely to remain that way for some time given the evolving nature of the COVID-19 pandemic. Over the coming quarters, many companies will report results that are uneven and, in some cases, downright terrible. We do not believe there is much signal value in these results and caution investors about using current pandemic-impacted financial results as a basis for extrapolating well into the future. As long-term investors, we need to remain focused on long-term fundamentals. The inevitable question is: "How will you be able to analyze the results and know if a company is on track to delivering long-term value?"

We believe skilled and effective management is key, and this is a critical component of the flywheel, our investment criteria. The signals we can observe are management behaviors. Those signals now appear stronger than ever as teams navigate this unprecedented environment.

We believe skilled management teams can create opportunities and distance their businesses from competitors.

While companies may have the qualities of resilience, we believe management behaviors are key to maneuvering and creating deeper connections with customers and all stakeholders, including employees and suppliers. This creates more customer and employee loyalty, further strengthening the organization and creating the competitive distance that not all businesses can enjoy, especially those with poor business models and inflexible capital structures. In these uncertain times, we think these behaviors will be key differentiators.

As analysts, evaluating management certainly requires a slightly different set of skills. These skills center around actively listening to management teams and interpreting their actions. When results are announced, we will be carefully examining the actions management is taking to deepen customer, employee, and partner relations. We believe companies that do exceedingly well in these areas during this challenging time will be rewarded in both the short and long term. The market may or may not look through short-term challenges, but we think the companies that use this period to strengthen all stakeholder relations will be better positioned to separate from the pack as we go through 2020 and beyond. We believe we own these types of businesses, and we will continue our constant search for superior companies now and well into the future no matter the macroeconomic backdrop.

Team Update

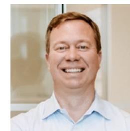
We are excited to introduce Chris Ballard, the newest member of the Small Company Growth Team based in Boston. Chris is a Research Associate supporting all three Small Company Growth strategies. He recently graduated from Tuck School of Business at Dartmouth, where he earned his MBA. We followed Chris's career over the past year and half and believe he is a great fit for the team. Over many meetings, he has demonstrated to us that he is a strong cultural fit and exhibits the cognitive flexibility and raw talent to be an excellent analyst. This now brings the team total to seven members, four of which are dedicated analysts, who operate as generalists, supporting our U.S. Small, U.S. SMID and International Small Company strategies. We will continue to evaluate our needs on an ongoing basis and selectively add talented people that fit our culture and bring diversity of thought to drive the best outcomes for our clients.

We appreciate your trust in our firm, team, and process. Thank you for your interest in Polen Capital and the U.S. Small Company Growth strategy. Please feel free to contact us with any questions.

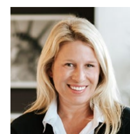
Sincerely,

Tucker Walsh & Rayna Lesser Hannaway

Experience in High Quality Growth Investing



Tucker Walsh
Head of Team, Portfolio Manager & Analyst
29 years of experience



Rayna Lesser Hannaway
Portfolio Manager & Analyst
24 years of experience

Historical Performance

	Polen (Gross) (%)	Polen (Net) (%)	Russell 2000 Growth Index (%)
3 Months	46.14	45.84	30.58
YTD	15.83	15.34	-3.07
1 Year	16.40	15.38	3.47
3 Year	17.93	16.83	7.87
Since Inception (03-09-2017)	18.90	17.81	9.12

Returns are trailing through 6-30-2020. Annualized returns are presented for periods greater than one-year.
Source: Archer.

GIPS Disclosure

Polen Capital Management
U.S. Small Company Growth Composite—Annual Disclosure Presentation

		UMA	Firm	Composite Assets		Annual Performance Results				3 Year Standard Deviation[2]	
Year End	Total ($Millions)	Assets ($Millions)	Assets ($Millions)	U.S. Dollars ($Millions)	Number of Accounts	Composite Gross (%)	Composite Net (%)	Russell 2000 G (%)	Composite Dispersion (%)	Polen Gross (%)	Russell 2000 G (%)
2019	34,784	12,681	22,104	8.28	8	22.73	21.62	28.50	0.1	-	16.60
2018	20,591	7,862	12,729	3.82	6	3.30	2.31	-9.29	0.0	-	16.69
2017[1]	17,422	6,957	10,466	5.65	4	20.74	19.82	18.22	N/A	-	14.80

[1]Performance represents partial period (March 9, 2017 through December 31, 2017), assets and accounts are as of December 31, 2017.
[2]A 3 Year Standard Deviation is not available for 2017, 2018 and 2019 due to 36 monthly returns are not available.
Total assets and UMA assets are supplemental information to the Annual Disclosure Presentation.
N/A - There are five or fewer accounts in the composite the entire year.

GIPS Disclosure

The U.S. Small Company Growth Composite created on March 9, 2017 contains fully discretionary small company equity accounts that are not managed within a wrap fee structure and for comparison purposes is measured against Russell 2000 Growth. Polen Capital invests exclusively in a portfolio of high-quality companies.

Polen Capital Management claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Polen Capital Management has been independently verified by ACA Performance Services, LLC for the periods January 1, 2016 through June 30, 2019. A verification covering the periods from April 1, 1992 through December 31, 2015 was performed by Ashland Partners & Company LLP, whose report expressed an unqualified opinion thereon. The verification reports are available upon request. Ashland Partners & Company LLP was acquired by ACA Performance Services, LLC. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. Polen Capital Management is an independent registered investment adviser. The firm maintains a complete list and description of composites, which is available upon request. In July 2007, the firm was reorganized from an S-corporation into an LLC and changed names from Polen Capital Management, Inc. to Polen Capital Management, LLC.

Results are based on fully discretionary accounts under management, including those accounts no longer with the firm. Past performance is not indicative of future results. Effective January 1, 2018, accounts must be fully invested at the market open on the first business day of the month, in order to be included in that month's composite.

The U.S. Dollar is the currency used to express performance. Returns are presented gross and net of fees and include the reinvestment of all income. Net of fee performance was calculated using actual fees. The annual composite dispersion presented is an asset-weighted standard deviation calculated for the accounts in the composite the entire year. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

The management fee schedule is as follows:
Institutional: Per annum fees for managing accounts are 100 basis points (1.00%) on the first $50 Million and 85 basis points (0.85%) on all assets above $50 Million of assets under management. HNW: Per annum fees for managing accounts are 175 basis points (1.75%) of the first $500,000 of assets under management and 125 basis points (1.25%) of amounts above $500,000 of assets under management. Actual investment advisory fees incurred by clients may vary.

Past performance does not guarantee future results and future accuracy and profitable results cannot be guaranteed. Performance figures are presented gross and net of fees and have been calculated after the deduction of all transaction costs and commissions. Polen Capital is an SEC registered investment advisor and its investment advisory fees are described in its Form ADV Part 2A. The advisory fees will reduce clients' returns. The chart below depicts the effect of a 1% management fee on the growth of one dollar over a 10-year period at 10% (9% after fees) and 20% (19% after fees) assumed rates of return.

The Russell 2000® Growth Index measures the performance of those Russell 2000 companies with higher price/book ratios and higher forecasted growth values.

The information provided in this document should not be construed as a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in the composite or that the securities sold will not be repurchased. The securities discussed do not represent the composite's entire portfolio. Actual holdings will vary depending on the size of the account, cash flows, and restrictions. It should not be assumed that any of the securities transactions or holdings discussed will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein. A complete list of our past specific recommendations for the last year is available upon request.

Return	1 Year	2 Years	3 Years	4 Years	5 Years	6 Years	7 Years	8 Years	9 Years	10 Years
10%	1.10	1.21	1.33	1.46	1.61	1.77	1.95	2.14	2.36	2.59
9%	1.09	1.19	1.30	1.41	1.54	1.68	1.83	1.99	2.17	2.37
20%	1.20	1.44	1.73	2.07	2.49	2.99	3.58	4.30	5.16	6.19
19%	1.19	1.42	1.69	2.01	2.39	2.84	3.38	4.02	4.79	5.69

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